

The Wisconsin Department of Transportation adopts an order to amend TRANS 196.04(1)(d), relating to the convenience fee for telephone vehicle registration renewal

ORDER ADOPTING RULE**Analysis Prepared by the Wisconsin Department of Transportation**

STATUTORY AUTHORITY: ss. 85.16, 227.11(2)(a), 341.255 and 342.14(7), Stats.

STATUTES INTERPRETED: ss. 341.255 and 342.14(7), Stats.

Plain Language Analysis: Trans 196.04(1)(d) establishes the convenience fee for telephone vehicle registration renewal. DOT now offers internet renewal as well as telephone registration renewal service, and this rule is amended to reflect this service option. In addition, DOT has entered into a new vendor contract for this service. Under the contract terms, DOT's per-transaction cost may vary on a yearly basis. The rule is amended to clarify that DOT will charge the customer a transaction fee that approximates DOT's cost to provide that transaction, and that the DOT will determine the per-transaction fee on a yearly basis, not to exceed \$2.50. DOT will publish the current fee on DOT's web site and IVR message, instead of needing to undertake continual rule making to change the fee on a yearly basis.

Summary of, and Preliminary Comparison with, Existing or Proposed Federal Regulation: No federal rules govern or apply to this rule making. Service delivery methods and fees are solely a state determination.

Comparison with Rules in Adjacent States:

Michigan: Michigan allows on-line and telephone registration renewal.

Minnesota: Minnesota requires a \$3.00 handling fee for on-line renewal using credit card. In addition, Minnesota requires a \$4.50 service fee for renewal transactions, and a \$7.00 service fee for all other vehicle transactions.

Illinois: Illinois requires a \$1.75 convenience fee for on-line renewal.

Iowa: Iowa requires a convenience fee when renewing on-line. In addition, Iowa title and registration transactions by county treasurers may involve a service fee.

Summary of Factual Data and Analytical Methodologies Used and How the Related Findings Support the Regulatory Approach Chosen: The Department of Transportation has entered into a new contract with a vendor to provide the telephone

and internet renewal service. The contract provides a methodology for payment to the vendor that requires DOT to revise its method of establishing the customer convenience fee. Since the process to amend a rule is time-consuming, the DOT has chosen the approach of publishing the fee on its internet web site and on the IVR message, rather than by administrative rule change. DOT continues to determine a transaction fee that approximates DOT's cost to provide that transaction. DOT will determine the per-transaction fee on a yearly basis. In determining the fee per transaction for the current year, the Department will review the total cost of the service, the number of transactions and other material factors from the previous year.

Effect on Small Business and, If Applicable, Any Analysis and Supporting Documentation Used to Determine Effect on Small Businesses: The Department of Transportation anticipates that this rule making will have no direct adverse effect on small businesses. This rule making establishes no additional compliance, bookkeeping, or reporting requirements for small businesses. You may contact the Department's small business regulatory coordinator by phone at (608) 267-3703, or via e-mail at julie.johnson@dot.state.wi.us.

Fiscal Effect and Anticipated Costs Incurred by Private Sector: The Department of Transportation estimates that there will be no fiscal impact on the liabilities or revenues of any county, city, village, town, school district, vocational, technical and adult education district, sewerage district, or federally-recognized tribes or bands. The rule establishes no additional compliance, bookkeeping, or reporting requirements of any customer.

Copies of Rule: Copies of the rule may be obtained, without cost, by writing to Carson P. Frazier, Department of Transportation, Division of Motor Vehicles, Bureau of Vehicle Services, Room 253 Hill Farms, P.O. Box 7911, Madison WI 53707-7911. You may also contact Ms. Frazier by phone at (608) 266-7857.

TEXT OF RULE

SECTION 1. Trans 196.04(1)(d) is amended to read:

Trans 196.04(1)(d) For the payment of fees through a special department telephone and internet registration service, ~~\$2.50 per transaction~~ a fee per transaction to be determined by the department annually to approximate the cost to the department for providing the transaction, not to exceed \$2.50. In determining the fee per transaction for the current year, the department shall review, from the previous year, the total cost of the service, the number of transactions, and other material factors. The

current fee shall be published on the department's internet web site and on the department's telephone interactive voice response system and on all vehicle registration renewal notices that are eligible to use the internet or telephone renewal service.

NOTE: The internet web site is <http://www.dot.state.wi.us/drivers/index.htm>.

(END OF RULE TEXT)

Effective Date. This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in s. 227.22(2)(intro.), Stats.

Signed at Madison, Wisconsin, this ____ day of August, 2005.

FRANK J. BUSALACCHI
Secretary
Wisconsin Department of Transportation